

**KELLEY DRYE & WARREN LLP**

A LIMITED LIABILITY PARTNERSHIP

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November 30, 2012

**By HAND DELIVERY AND ECFS**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, D.C. 20554

Re: Meggatel Corporation Compliance Plan Meeting Notice of Ex Parte  
Presentation and Request for Confidential Treatment; WC Docket Nos.  
09-197, 11-42

Dear Ms. Dortch:

On Wednesday, November 28, 2012, Bill Evans and Phillip Martin of Meggatel Corporation ("Meggatel") and John Heitmann and Joshua Guyan of Kelley Drye & Warren, LLP met with Kim Scardino, Divya Shenoy, Michelle Schaefer and David Bradford of the Wireline Competition Bureau ("Bureau") to discuss Meggatel's Compliance Plan filed on October 12, 2012 in the above-referenced dockets.

At the meeting, Meggatel provided the Bureau staff with the enclosed presentation introducing the company and its management, the company's proposed Lifeline product offerings and its approach to compliance with the requirements of the *Lifeline Reform Order*.<sup>1</sup> Meggatel, by its attorneys, hereby submits an original and four (4) copies of the enclosed confidential presentation. In addition, Meggatel submits a request for confidential treatment of the identified portion of the presentation. Please date-stamp and return the additional copy of the request for confidential treatment and confidential presentation.

<sup>1</sup> See *Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report And Order and Further Notice Of Proposed Rulemaking, FCC 12-11 (Feb. 6, 2012).

KELLEY DRYE & WARREN LLP

Ms. Marlene H. Dortch  
November 30, 2012  
Page Two

We have also included four (4) additional copies to be distributed to Kim Scardino, Divya Shenoy, Michelle Schaefer and David Bradford. A redacted version of the presentation is being filed electronically in ECFS today.

Please direct any questions as to this matter, including the request for confidential treatment, to the undersigned.

Respectfully submitted,



John J. Heitmann  
Joshua T. Guyan

*Counsel to Meggatel Corporation*

cc: Kim Scardino  
Divya Shenoy  
Michelle Schaefer  
David Bradford

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Secretary  
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445 12<sup>th</sup> Street, SW  
Washington, D.C. 20554

*Re:* Meggatel Corporation Compliance Plan Meeting Presentation; Request for Confidential Treatment; WC Docket Nos. 09-197, 11-42

Dear Ms. Dortch,

Meggatel Corporation (“Meggatel”), by its attorneys, hereby requests confidential treatment of the enclosed presentation provided to Kimberly Scardino, Divya Shenoy, Michelle Schaefer and David Bradford at a meeting regarding Meggatel’s Compliance Plan on Wednesday, November 28, 2012.<sup>1</sup>

The enclosed presentation contains proprietary and confidential information. Such competitively sensitive information is exempted from mandatory disclosure under “Exemption 4” of the Freedom of Information Act (“FOIA”),<sup>2</sup> and Section 0.457(d) of the Commission’s rules.<sup>3</sup> Exemption 4 allows the withholding of commercial or financial information that is privileged or confidential.<sup>4</sup> The confidentiality requirement is satisfied if

<sup>1</sup> See 47 C.F.R. § 0.459(b)(1), (2).

<sup>2</sup> See 5 U.S.C. § 552(b)(4). Public disclosure is not required for “trade secrets, commercial or financial information obtained from a person and privileged and confidential.” *Id.*

<sup>3</sup> 7 C.F.R. § 0.457(d). See *National Parks and Conservation Ass’n. v. Morton*, 498 F.2d 765, 770 (D.C. Cir. 1974) (“National Parks”); Southern Company Request for Waiver of Section 90.629 of the Commission’s Rules, 14 FCC Rcd 1851, 1860 (1998) (“Southern Company”).

<sup>4</sup> 5 U.S.C. § 552(b)(4).

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substantial competitive injury would likely result from disclosure.<sup>5</sup> Accordingly, pursuant to Section 0.459 of the Commission's rules,<sup>6</sup> Meggatel requests that a portion of the enclosed presentation be withheld from public inspection.

The information for which Meggatel requests confidential treatment is proprietary and competitively sensitive information.<sup>7</sup> The market for Lifeline services, including the wireless services to be provided by Meggatel, is highly competitive.<sup>8</sup> The confidential presentation reveals details about Meggatel's business practices, strategies and compliance, the disclosure of which would cause great harm to Meggatel.<sup>9</sup> Meggatel will derive independent economic value from the fact that significant, detailed proprietary information regarding Meggatel's business practices is unknown to its competitors.<sup>10</sup> Moreover, failure to treat Meggatel's business information as confidential would provide competitors with an unfair competitive advantage by being granted access to Meggatel's proprietary information.<sup>11</sup> The information contained in the identified portion of the enclosed presentation is provided only to those employees and contractors that require such information to perform the requirements of their duties to Meggatel<sup>12</sup> and is not ordinarily made available to the public by Meggatel.<sup>13</sup> The information that is the subject of this confidential treatment request is not part of the public record in any jurisdiction. Meggatel requests that the identified portions of the enclosed presentation not be made routinely available for public inspection at any time.<sup>14</sup>

More specifically, the information that is the subject of this request for confidential treatment is entitled to protection for the following reasons<sup>15</sup>:

The portions of the enclosed presentation identified as confidential includes business strategies and details and could provide competitive advantage if publicly disclosed.

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<sup>5</sup> *Public Citizen Research Group v. FDA*, 704 F. 2d 1280, 1290-91 (D.C. Cir. 1983) ("*Public Citizen*").

<sup>6</sup> *See* 47 C.F.R. § 0.457 and 47 C.F.R. § 0.459.

<sup>7</sup> *See* 47 C.F.R. § 0.459(b)(3).

<sup>8</sup> *See* 47 C.F.R. § 0.459(b)(4).

<sup>9</sup> *See* 47 C.F.R. § 0.459(b)(5).

<sup>10</sup> *Id.*

<sup>11</sup> *Id.*

<sup>12</sup> *See* 47 C.F.R. § 0.459(b)(6).

<sup>13</sup> *See* 47 C.F.R. § 0.459(b)(7).

<sup>14</sup> *See* 47 C.F.R. § 0.459(b)(8).

<sup>15</sup> *See* 47 C.F.R. § 0.459(b)(9).

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Meggatel considers this information proprietary and confidential and believes that it is entitled to confidential treatment.

The enclosed presentation contains confidential details about Meggatel's internal operating and compliance procedures. This information includes procedures and business practices. This information is not publicly available and, if made publicly available, would disclose confidential business practices to competitors, thereby providing a competitive advantage to other entities in the market. As a result, Meggatel requests confidential treatment of this information.

Please direct any questions as to this matter, including the request for confidential treatment, to the undersigned.

Respectfully submitted,



John J. Heitmann  
Joshua T. Guyan

*Counsel to Meggatel Corporation*

cc: Kimberly Scardino  
Divya Shenoy  
Michelle Schaefer  
David Bradford



# Meggatel Corporation

Compliance Plan Meeting  
Federal Communications Commission

November 28, 2012

**REDACTED VERSION**

## Agenda

- *Background*
- *Team*
- *States Filed*
- *Lifeline Service Plans*
- *Public Safety and 911/E911*
- *Meggatel Corporation & Business Model*
- *Marketing & Advertising Compliance*
- *Subscriber Education & Disclosures*
- *Enrollment*
- *Mega-Mobile Transition to Lifeline Subscriber*
- *Validations*
- *Annual Re-certification*
- *Activation, Non-Usage & De-Enrollment*
- *Questions*

## Company Snapshot

What do we do?	Provide low to no cost mobile phones to the validated and qualified, while giving back to the community, providing outreach, and offering 'boots on the ground' first rate customer service
Target Markets	Verified, valid, eligible consumers in need of access to communication
Partners	Veri-fly Data Corporation, BeQuick, CompleteID, Liberty Wireless, Reunion
Executives	Bill Evans, CEO Ron Whisenant, CFO Phillip Martin, VP Regulatory Affairs
Financial Capabilities	Mega-Mobile pre-paid retail; substantial cash reserves by owners
Founded	Incorporated May 2011
Headquarters	South Lake, Texas
Retail Stores	Open: Bedford, TX Coming Soon: San Antonio, TX
Website	<a href="http://www.meggatel.com">www.meggatel.com</a>

# Key Management

## **Bill Evans – Founder and CEO of Meggatel Corporation**

- Over 20 years successful experience in the telecom industry
- Held position as President of several telecommunications companies
- Strategic planning experience

## **Ron Whisenant – CFO**

- Over 40 years of leadership experience in accounting and financial services
- Co-founder of JetCo communications Corporation in 1996 with Bill Evans
- 16 years of extensive hands-on experiences as Controller of Spaghetti Warehouse, Inc., before, during and after their initial public offering
- 3 years at Advanced Network Technologies working on many systems including MCI's computer integration project prior to their acquisition by WorldCom

## **Phillip Martin – VP of Regulatory Affairs**

- A track record of working with companies such as Union Oil of California, Winn Dixie Stores, Inc. and the United States Government
- North Carolina and South Carolina Supervisor for BellSouth through the ANSCO master contract holder with operations in facilities

## **Board Members and Advisors**

### **Barbara Wentroble**

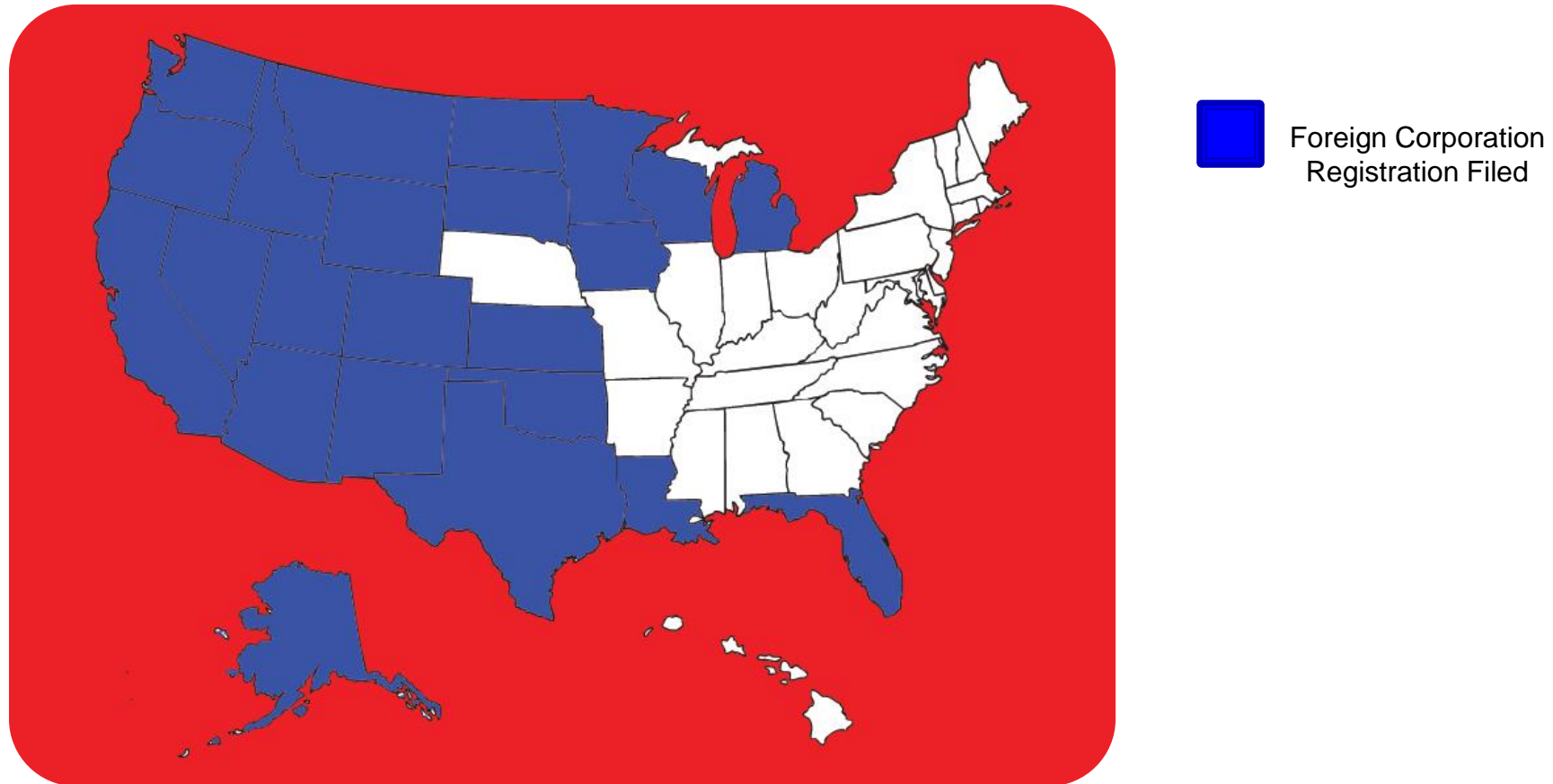
- Head pastor in International Breakthrough Ministries and business owner for Christ International
- Many successful years of for-profit and not-for-profit business ownership
- Founder of Global Spheres, which includes over 6,000 churches

### **John McGinnis**

- 34 years of success in catapulting several prominent companies to be leaders in their industry
- Worked for Alcatel and with 4 Baby Bells to create and launch Verizon Wireless
- Currently CEO of KayPat Enterprises, Partner in AVIDwireless and on the Board of Share Capital Holdings



# STATES IN WHICH MEGGATEL HAS FILED FOREIGN CORPORATION REGISTRATIONS



# Lifeline Service Plans

## **250 STANDARD LIFELINE MINUTES**

Each month subscribers will receive 250 voice minutes at no charge. There are no rollover minutes with this plan and unused minutes will expire each month on the service expiration date. Text messaging will be available with this plan at a rate of three (3) text messages per one (1) voice minute.

## **LIFELINE 1000 PLUS PLAN**

Each month subscribers will receive 1000 voice minutes or texts for \$1.00 per month plus fees and taxes. There are no rollover minutes with this plan and unused minutes will expire each month on the service expiration date. Text messaging will be available with this plan at a rate of three (3) text messages per one (1) voice minute. This plan is only available to eligible tribal land residents.

## **LIFELINE UNLIMITED PLAN**

Each month subscribers will receive unlimited voice minutes and text messages for \$4.75 per month plus fees and taxes. There are no rollover minutes with this plan and unused minutes will expire each month on the service expiration date. This plan is only available to eligible tribal land residents.



# Public Safety and 911/E911 Access

- Meggatel will ensure that all handsets used in connection with its Lifeline service are E911-compliant
- Meggatel will provide its Lifeline customers with access to 911 and E911 services:
  - Through its underlying carriers Sprint, Verizon Wireless, AT&T or T-Mobile; purchase minutes/service through intermediaries such as Liberty Wireless and Reunion Wireless
  - At the time of Lifeline service initiation
  - Regardless of activation status and minute availability



# Meggatel's Unique Approach to Lifeline

## Meggatel Business Model: Infrastructure Reinvestment



Food Banks



Training Centers



Public Use Improvements

## "Boots on the Ground" Customer Service Representatives



Rolling Re-Certification Home Visits



Inoperable Phone Swap-Outs



Regionally Based Customer Service Centers

Meggatel is committed to the long-term sustainability of the Lifeline program through the delivery of supported service to ONLY qualified Consumers.

As such, Meggatel has voluntarily enacted strict compliance and accountability measures to meet this shared goal that far outweigh the minimum required commitment from ETCs.

## Veri-fly Data Corporation's CompleteID Enrollment System



Address and Serviceability Validation or Rejection



Duplicate Consumer Validation or Rejection



Ineligible Consumer Validation or Rejection



Consumer Identity Fraud Validation or Rejection



Tribal Consumer Status Validation or Rejection



# Marketing & Advertising Compliance

In compliance with the marketing and disclosure requirements, Meggatel marketing materials will

- Disclose the ETC name
- Explain in a clear and easily understood language the following:
  - This is a Lifeline service
  - Lifeline is a government assistance program
  - Lifeline service is non-transferable
  - Only Eligible consumers may enroll in the program
  - Documentation is necessary for enrollment
  - The program is limited to one benefit per household (wireline or wireless service)
  - Meggatel's enrollment and re-certification forms (digital or printed) will state that consumers who willfully make false statements in order to obtain the Lifeline benefit can be punished by fine or imprisonment, or can be barred from the program

**FREE CELLPHONE & MINUTES**

SIGN UP TODAY AT  
**WWW.MEGGATEL.COM**

- ✓ FREE WIRELESS PHONE
- ✓ FREE VOICEMAIL
- ✓ FREE LONG DISTANCE
- ✓ FREE 411

- ✗ NO DEPOSIT
- ✗ NO CREDIT CHECKS
- ✗ NO CONTRACT

**250 FREE MINUTES EVERY MONTH**  
500 & 1000 MINUTE PLANS  
ALSO AVAILABLE

\*THIS IS A LIFELINE SERVICE PROVIDED BY MEGGATEL CORPORATION, WHICH IS AN ELIGIBLE TELECOMMUNICATIONS CARRIER. • LIFELINE IS A GOVERNMENT ASSISTANCE PROGRAM. • SERVICE IS NON-TRANSFERABLE. • ONLY ONE LIFELINE DISCOUNT MAY BE RECEIVED PER HOUSEHOLD. • ONLY ELIGIBLE CONSUMERS MAY ENROLL IN THE PROGRAM. • CONSUMERS WHO WILLFULLY MAKE A FALSE STATEMENT IN ORDER TO OBTAIN THE LIFELINE BENEFIT CAN BE PUNISHED BY FINE OR IMPRISONMENT OR CAN BE BARRED FROM THE PROGRAM. • CUSTOMERS MUST PRESENT PROPER DOCUMENTATION CONFIRMING ELIGIBILITY FOR THE LIFELINE PROGRAM THROUGH PARTICIPATION IN FEDERAL PUBLIC HOUSING ASSISTANCE, FOOD STAMPS, LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP), INCOME BELOW 135% OF THE FEDERAL POVERTY GUIDELINES, MEDICAID, NATIONAL SCHOOL LUNCH'S FREE LUNCH PROGRAM, SUPPLEMENTAL SECURITY INCOME (SSI), TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF), ADDITIONAL PROGRAM BASED ELIGIBILITY CRITERIA VARIES BY STATE. PROOF OF ELIGIBILITY INCLUDES AN ELIGIBLE PROGRAM CARD OR STATEMENT OF BENEFITS.

**Texas Wireless Lifeline Service Application**

I (Applicant) certify, under penalty of perjury, that (check ALL boxes to qualify):

☐ I understand that I must meet certain eligibility qualifications as described above to receive Lifeline assistance, and I further understand that providing false or fraudulent information to receive Lifeline benefits is punishable by law.

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**Multi-Household Worksheet**

Below to determine whether there is more than one household residing at your address.

☐ Yes, there is more than one household residing at your address. Please provide the following information for each household:

☐ No, there is only one household residing at your address.

**User Acceptance Agreement**

I certify, under penalty of perjury, that:

☐ As the Agent, I certify that I provided the customer with an information sheet containing all of the eligibility requirements, and the customer has read and certified these requirements.

☒ I have NOT provided the Enrollee with an information sheet.

I authorize \_\_\_\_\_ to access any records required to verify my statement on this form and to confirm my eligibility for the Lifeline credit. I give my permission to the duly authorized official(s) administering the above programs to provide to \_\_\_\_\_ my participation status in any of the above program(s). I give this permission on the condition that the information in this Application any information about my participation in the above program(s) provided by officials be maintained by \_\_\_\_\_ as confidential customer account information.

I authorize \_\_\_\_\_ to release any records required for the administration of the Lifeline credit program (including my name, telephone number and address), including to the Universal Service Administration Company, to be used in a Lifeline database and to ensure proper administration of the Lifeline Program. Failure to consent will result in denial of service.

My household will receive only one Lifeline benefit and, to the best of my knowledge, MY HOUSEHOLD IS NOT CURRENTLY RECEIVING A LIFELINE SUPPORTED SERVICE FROM ANY OTHER PROVIDER.

☐ I accept the User Acceptance Agreement

☐ I understand that violation of the one-per-household requirements against the Federal Communication Commission's rules and may result in me losing my Lifeline benefits, and potentially prosecution by the United States government.

## Disclosures

This 11 point checklist describes, in detail, each disclosure and the applicant must agree to all statements in order to be eligible for Lifeline Services.

## Subscriber Education

Gives applicant information on the purpose of the enrollment process, as well as who is eligible and the rules involved. This is also present on all portals of enrollment, listed as 'Terms of Agreement'

**Terms of Agreement:**

A complete and signed Lifeline Application and Certification Form (Application) is required to enroll your household in the Lifeline program in your state. This Application is only for the purpose of verifying your eligibility for the Lifeline service program and will not be used for any other purpose. Lifeline is a government assistance program and only eligible consumers may enroll in the program. Lifeline service is a non-transferable service and therefore may not be transferred to any other individual, including another eligible low-income consumer. All Lifeline subscribers must complete their own Application for service. Service requests will not be processed until this Application has been received and validated by \_\_\_\_\_. Applicants must personally activate Lifeline service by calling and selecting option 2.

# Subscriber Education & Disclosure

# Enrollment Portals



iPad and  
Android



PC and  
Laptop



Automated  
Self-Service  
Kiosks



Interactive  
Voice  
Response  
(Phone - IVR)

## Electronic Enrollments

Enrollee/employee interaction in brick & mortar store or at a community event; all documentation is witnessed in real-time and validated through partnership with Veri-fly and subscriber leaves with phone.

## Paper Enrollments

Enrollee/employee enrollment in which employee does not have access to real-time electronic validation; phones will be shipped to user after Compliance Department performs validation.

## Kiosk Enrollments

Self-Driven enrollment by enrollee who fills out and signs application electronically; enrollee can take a picture of the subsidy proof with Kiosk's web cam, which is then attached to application and sent to Compliance Department to perform validation and the phone will ship once eligibility is verified.

## Web Enrollments

Self-Driven enrollment by enrollee who fills out and signs application electronically; enrollee can take a picture of the subsidy proof with web cam, or mail/fax in, which is then attached to application and sent to Compliance Department to perform validation and the phone will ship once eligibility is verified.

## Phone Enrollments

Real-time validation, but proof of identity, program eligibility and completed self-certification form must be mailed/faxed in; Compliance Department performs validation and the phone will ship once eligibility is verified.



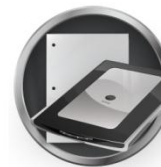
Paper  
Lifeline  
Affidavits



Monitored  
Post Office  
Box



Monitored  
Toll-Free  
Fax



Paper  
Scanning and  
Handwriting  
Recognition



Digital Stamp  
and PDF  
Creation



# Mega-Mobile Customer Transition to Lifeline Subscriber

(upon eligibility verification)

**REDACTED**



# Series of Validations to Prevent Waste, Fraud and Abuse

## Tier I



Service  
Availability  
Validation



Address  
Validation



Tribal Land  
Residency  
Validation



Duplicate  
Address  
Validation

## Tier II



Subsidy  
Validation



Duplicate  
Identity  
Validation



Identity  
Risk  
Validation



External  
Pooled  
Database  
Validation

## Transmission



CompleteID  
Enrollment  
System



Billing and  
Operational  
Support  
System  
(B/OSS)



Lifeline  
Accountability  
Database  
(LAD)



Phone  
Activation  
Validation

Tribal Land Residency Validation – Meggatel's proprietary tribal database software can verify that an enrollee resides on federally recognized Tribal Lands while other systems cannot.

# Annual Re-Certification

305 Days of Service



320 Days of Service



335 Days of Service



350 Days of Service



365 Days of Service



Post-365 Day Deactivation



# Activation, Non-Usage and De-Enrollment

## Activation

Meggatel will not consider a Lifeline subscriber activated, and will not seek reimbursement for Lifeline service for that subscriber until the subscriber activates Meggatel Lifeline service by affirmatively acknowledging that they are the applicant and that they have applied for and wish to receive Lifeline service from Meggatel. For in-person enrollments, the phone will be activated by making an outbound call and for phones sent to customers by mail, the customer must call Meggatel customers service and provide identification information to activate the phone.

## 30 Days of Non-Use

After 30 days of non-use, Meggatel will provide notice to the subscriber that failure to use the Lifeline service or provide other confirmation directly to Meggatel that the subscriber wishes to retain their Lifeline service within 30 days from the date of the de-enrollment notice (60 days of non-use) will result in de-enrollment from the Lifeline program.

Subscribers will have the option to retain the service by:

- making a monthly payment;
- completing an outbound call;
- purchasing minutes from Meggatel to add to the subscriber's plan;
- answering an incoming call from a party other than Meggatel; or
- responding to a direct contact from Meggatel confirming that the subscriber wants to continue receiving the service.

## De-Enrollment

Meggatel will de-enroll subscribers that do not complete the annual re-certification process. Meggatel will give subscribers 30 days to respond to the annual re-certification inquiry. If the subscriber does not respond, Meggatel will send a separate written notice explaining that failure to respond within 30 days will result in the subscriber's de-enrollment from the Lifeline program. If the subscriber does not respond within 30 days, Meggatel will de-enroll the subscriber within five business days.



Questions?

Thank you for your time and consideration.